



HING YIP HOLDINGS LIMITED

興業控股有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code : 00132)

**TERMS OF REFERENCE OF THE
REMUNERATION COMMITTEE**

HING YIP HOLDINGS LIMITED
Terms of Reference of Remuneration Committee

Constitution

1. The Remuneration Committee (the “Committee”) was formed pursuant to the board resolution of **HING YIP HOLDINGS LIMITED** (“the Company”) passed on 28 January 2005 and this terms of reference was last revised and adopted on 1 January 2023.

Membership

2. The Committee members shall be appointed by the board of directors of the Company amongst the directors of the Company. A majority of the Committee members should be independent non-executive directors.
3. The Committee shall consist of not less than 3 members.
4. The chairman of the Committee should be independent non-executive director.

Attendance at meetings

5. The meetings and proceedings are governed by the provisions contained in the bye-laws of the Company for regulating meetings and proceedings of Directors.
6. The Committee may, from time to time, invite advisors to the meeting, including but not limited to external advisors or consultants, to advise its members.
7. The company secretary shall be the secretary of the Committee. The secretary of the Committee or in his absence, his representative or any one member, shall be the secretary of the meetings of the Committee.
8. The quorum of the Committee shall be two members. Any member of the Committee or other attendees may participate in a meeting of the Committee by attending in person or by means of a telephone conference or similar communication equipment by means of which all persons participating in the meeting are capable of hearing each other.

Frequency of meetings

9. The Committee shall meet at least once every year. Additional meetings shall be held as the work of the Committee demands.
10. The chairman of the Committee may convene additional meetings at his discretion.

Authority

11. The Committee is authorised by the board to investigate any activity within its terms of reference. It is authorised to seek any information it requires from any employee and all

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employees are directed to co-operate with any request within the terms of reference made by the Committee.

12. The Committee is authorised by the board to obtain outside legal or other independent professional advice and to secure the attendance of outsiders with relevant experience and expertise if it considers this necessary.

Duties

13. The duties of the Committee shall be: —

- (i) To make recommendations to the board on the Company's policy and structure for all directors' and senior management remuneration and on the establishment of a formal and transparent procedure for developing remuneration policy.
- (ii) To review and approve the management's remuneration proposals with reference to the board's corporate goals and objectives.
- (iii) To make recommendations to the board on the remuneration packages of individual executive directors and senior management. This shall include benefits in kind, pension rights and compensation payments, including any compensation payable for loss or termination of their office or appointment.
- (iv) Regarding the remuneration packages, to consider salaries paid by comparable companies, time commitment, responsibilities and performance, and employment conditions elsewhere in the group.
- (v) To review and approve the compensation payable to executive directors and senior management for any loss termination of office or appointment to ensure that it is consistent with contractual terms and is otherwise fair and not excessive.
- (vi) To review and approve compensation arrangements relating to dismissal or removal of directors for misconduct to ensure that they consistent with contractual terms and that are otherwise reasonable and appropriate.
- (vii) To make recommendations to the board on the remuneration for non-executive directors.
- (viii) To ensure that no director or any of their associates is involved in deciding their own remuneration.
- (ix) To consult the chairman and/or the president about their remuneration proposals for other executive directors and have access to independent professional advice if necessary.
- (x) To review and/or approve matters relating to share schemes under Chapter 17 of the Listing Rules.

- (xi) To consider other topics as defined by the board.

Reporting procedures

14. The chairman of the Committee who chair the meetings or other member of the committee who is authorised by the chairman of the Committee shall report to the Board after each meeting of the Committee.
15. The chairman of the Committee or in his absence, another member of the Committee or failing this, his duly appointed delegate, shall attend the annual general meeting of the Company and be prepared to respond to questions at the annual general meeting on the Committee's activities and their responsibilities.
16. The secretary of the Committee or his representative shall circulate the minutes of meetings and reports of the Committee to all members of the Board.